

Agenda Item	4
Report No	LA/10/22

## HIGHLAND COUNCIL

**Committee:** Lochaber Area

**Date:** 7 March 2022

**Report Title:** Highland Coastal Communities Fund – Assessment of Applications

**Report By:** Executive Chief Officer Infrastructure, Environment & Economy

### 1. Purpose/Executive Summary

- 1.1 The Highland Coastal Communities Fund is designed to support economic regeneration and sustainable development around coastal areas in Highland. The fund is derived from revenue generated by Scottish Government Crown Estate marine assets. Each year, local authorities are allocated a proportion of the profits.

Within an overall allocation to Highland of £3,201,134, the Lochaber Area Committee has been awarded £450,818.12 of Crown Estates revenues for distribution within the Lochaber Area. Funding will be distributed as the Highland Coastal Communities Fund – Lochaber (HCCF).

- 1.2 Broad eligibility criteria for the scheme is as follows:-

All projects are expected to be able to meet at least one of the following priorities:

- Economic recovery;
- Community resilience;
- Mitigating the impact of the climate/ecological emergency; or
- Addressing the challenges of rural depopulation.

Projects should be able to demonstrate that they are:-

- Sustainable/viable;
- Providing value for money;
- Providing additionality;
- Able to evidence local support/local benefit; and
- Able to evidence positive impacts for coastal communities and/or the coastal economy

1.3 During 2021 Members deferred three applications for funding. All these applicants have now been contacted to ascertain if sufficient progress has been made to allow them to resubmit their application for consideration of an award from the new HCCF allocation. Only one response has been received and that application is presented as an appendix to this report.

1.4 To aid Members in their decision making, the following appendices are provided to this report:-

- **Appendix 1** – Full application form
- **Appendix 2** – Technical assessment and RAG status

Technical assessment and the RAG status are based on the application form and supplementary information provided during the application process.

## 2. **Recommendations**

2.1 Members are asked to **consider** the application presented for funding and agree whether to approve, defer or reject the application. An approval of funding should detail the amount approved and outline any conditions of funding that Members wish to attach to the approval over and above the required technical conditions. A deferral would allow an applicant to resubmit the current application at a future date with updated information. A rejection would mean that the application will not proceed and any future application to the fund should be brought forward initially as a new expression of interest.

## 3. **Implications**

3.1 **Resource** – Lochaber has available funding of £450,818.12, there are therefore no resource implications should Members wish to approve this project.

3.2 **Legal/Risk** – When managing external funding it is imperative that the risks to The Highland Council are assessed/mitigated and any back to back grant award letters with third parties, and financial claims management protect The Highland Council financial and reputational interests.

3.3 **Community (Equality, Poverty and Rural)** – Coastal communities funding is available to all Area Committees within Highland with a coastline. The focus of the funding is economic recovery and community resilience. Consideration on issues relating to equalities, poverty and rural issues are dealt with on an individual basis for applications and covered in the technical assessments of project.

3.4 **Climate Change/Carbon Clever** – Mitigation of the climate/ecological emergency is a specific aim of the HCCF funding. All applicants are required to evidence environmental sustainability as referenced in the technical assessments.

3.6 **Risk** – When managing external funding it is imperative that the risks to The Highland Council are assessed/mitigated and any back-to-back grant award letters with third parties, and financial claims management protect The Highland Council financial and reputational interests.

3.6 **Gaelic** – Consideration given within individual project applications in line with HC policy.

Designation: Executive Chief Officer Infrastructure, Environment & Economy

Date: 24 February 2022

Author: Fiona Cameron, Programme Manager

Appendices: Appendix 1 – Project application form  
Appendix 2 – Technical assessment and RAG status

## Highland Coastal Communities Fund Application Form

Please refer to the **Guidance Notes** to complete the application form.  
 Supporting documentation must be submitted with the application (see section 8.2).  
 Projects must not start or commit expenditure before receiving and accepting the offer of grant letter if awarded funding.

### SECTION 1: PROJECT SUMMARY

<b>1.1 Project reference number</b>	30 (deferred re-submission)	
<b>1.2 Organisation</b>	Caol Regeneration Company	
<b>1.3 Project title</b>	Thomas Telford Corpach Marina- Final Start Up Costs	
<b>1.4 Project costs</b>	<b>Total cost of project</b>	£100,000
	<b>Match funding</b>	None for this specific element of overall marina development.
	<b>Grant requested</b>	£100,000
<b>1.5 Start date</b>	Phase 1 complete (fully funded), Phase 2 in progress (fully funded), Phase 3 start Feb 2022 (fully funded) Start Up costs required March 2022	
<b>1.6 End date</b>	Target July 2022 opening	

<b>1.7 Which of the following programme themes will the project meet? Please choose ONE theme.</b>	
<b>Economic Recovery</b>	X
<b>Community Resilience</b>	
<b>Mitigation of climate/ecological emergency</b>	
<b>Rural de population</b>	

### 1.8 Privacy Notice

Please confirm you have read and understood the Highland Coastal Communities Fund privacy notice: [www.bit.ly/HCCF-Privacy-Notice](http://www.bit.ly/HCCF-Privacy-Notice)

YES

## SECTION 2: CONTACT DETAILS

2.1 Main contact name	
Contact number	
Alternative contact number	
2.2 Position	
2.3 Address	
Postcode	
2.4 Email address	
2.5 Website address	<a href="http://www.corpachmarina.co.uk">www.corpachmarina.co.uk</a>

## SECTION 3: ORGANISATION DETAILS

3.1 Organisation type	Please indicate (x)	Organisation number
Company limited by guarantee	X	
Constituted group		
Public body		
Private (i.e. business)		
Charity	X	SC036941
SCIO		
Other (please specify)		

3.2 Are you applying on behalf of a partnership and is your organisation the lead applicant? <i>Please provide partnership agreement with the application.</i>	NO
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3.3 Is the organisation VAT registered?  By ticking this, you are declaring the organisation VAT status as per HMRC. If this changes at any time during the project, you <u>must</u> notify the HCCF Team as this may affect the offer of grant.	YES
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3.4 If the organisation is VAT registered, please quote number.	298182752		
3.5 Is the VAT related to the project being reclaimed from HMRC? <i>Provide relevant details i.e. details of exemptions.</i>	Whole	Partial	None
	X		

<b>3.6 Project delivery team</b>	
<b>Name</b>	<b>Job title/area of work</b>
Andy McKenna	Chairperson/Local businessman
Douglas MacDiarmid	Retired Director HIE (Business Growth)
Donald Corbett	Director & Chair
Linda Campbell	Director & Secretary
Greg Riddle	Project Manager
Sarah Riddle	Project Manager
Shona MacLeay	Project Manager

## **SECTION 4: PROJECT DETAILS**

Please refer to the **Guidance Notes** to complete this section. It provides important information, definitions, and examples to ensure you answer each section correctly.

<b>4.1 Project location - must be within 5km of the coastline? Please include postcode.</b>
<p>Thomas Telford Corpach Marina is positioned at the western gateway to the Caledonian Canal leading into Loch Linnhe.            Site Address: <i>Thomas Telford Corpach Marina, Corpach Basin, Fort William, PH33 7JH</i></p>
<b>4.2 Do you own the land/building or have a lease agreement in place? Please provide evidence of ownership/lease with the application. If not in place, what are the arrangements to obtain this and by when?</b>
<p>The site (existing land, infrastructure, and buildings) is owned by Scottish Canals, the Lochside is owned by Locheil Estates, and the sea bed is owned by the Crown Estate. All parties are very supportive and have committed to 50-year leases.</p> <p>CRC own the car park, public slipway and marina facilities building – assets worth £2.3m.</p>
<b>4.3 The Project</b>
<p><b>(a) Please summarise the project, explaining how it will achieve the fund's themes as noted in 1.7, and list which outcomes it hopes to achieve.</b></p> <p>The project has been divided into three phases, phase 1 being civil works including dredging, culvert, car park and revetments, phase 2 being the Marina Facilities Building (including the community coffee shop), and phase 3 being the floating infrastructure. Phases 1 and 2 are funded and substantially complete, fundraising for phase 3 is virtually complete.</p> <p>Phase 3 has an estimated cost of £1.2m, principally the contract value for manufacture and installation of the breakwaters, pontoons and access gangway by Gael Force Marine (operating out of their Corpach base). Other costs include a provision for project management and a general contingency.</p> <p>Phase 3 funding* is as follows:            Crown Estate Scotland £500,000            HIE £150,000            MOWI £150,000            RCGF (via Highland Council) £400,000            Total £1,200,000</p>

All of the above have been approved by the respective bodies, although formal offers remain to be signed off (early February before placing contract).

However, as a result of the several delays to this project - well known to the Council through past papers and presentations, coupled with external global factors such as the covid-19 repercussions - there has been an escalation of costs which means a shortfall in funding for the provision of smaller works and equipment essential to deliver a high standard of overall quality. Additionally, and in common with all start-up businesses, there are one-off working capital costs which need to be met if we are to offer a quality experience and professional customer service from the outset.

In summary, currently the project is in a position where funding from the HCCF would be the critical piece to ensure the final stages of the marina come to fruition. The money awarded via the HCCF would form the TTCM Final Start Up Cost pot – to ensure the marina is ready for opening. It will in turn be the ‘final piece of the jigsaw’ and will allow the marina to finally open in July 2022. This will allow us to capitalise on the high summer season as well as open in 2022 – marking the 200 year anniversary of the completion of the initial build of the Caledonian Canal in 1822.

The outcomes of this project for the local community are forecasted to be wide spread in terms of economic recovery coupled with social benefits to the local villages of Caol, Corpach and the wider Lochaber area. At present there is no marker of the historic Caledonian Canal in Fort William area, we hope to encourage visitors and users of the active travel cycle path leading to the marina café. Out with the direct benefits from the community café hub, we hope to encourage yachting tourists to the area to encourage spend in local restaurants and shops. Sustainable tourism following the covid pandemic and the popularity of staycation brings up many issues regarding increased vehicles and motorhomes to the area. Corpach marina can encourage visitors to the area mitigating these issues.

### **(b) How will the project benefit coastal communities or the coastal/marine economy?**

In the May 2017 Lochaber Community Partnership Briefing on the Socio-Economic Performance index, it was found that there are 6 data zones in Lochaber with an SEP score of less than 4. (In Highland Region there are 221 data zones with a mean average score of 5.34). Five of these most deprived data zones are within a 2-mile radius of the new marina. The project will help to address the needs of these communities in many ways.

Through collaboration with West Highland College UHI there is an opportunity to support students on the Marine Tourism degree, and on other courses such as Adventure Tourism, into work placements and eventually into employment, encouraging them to remain in the area and contribute to its prosperity.

The social enterprise elements of the project, working with The Place and potentially The Calman Trust, will provide much needed vocational training and supported employment for disadvantaged young people who otherwise would have few opportunities and potentially end up not in employment, education or training. We hope to create opportunities for people within the local area, both in terms of outdoor education for young people but also providing rewarding careers within the community. Empowering these individuals to drive the business for both themselves and for the community as a whole. Directly the project will create 14FTE jobs yet indirectly we believe the benefits to the local community will be extensive.

The project will encourage healthy lifestyles, by offering access to the water, opening up a range of healthy outdoor marine based sports, recreation and activities, with programmes accessible to all (opportunities for children/school groups/youth organisations), and create a focal point for the community to share, encouraging more walking and cycling (along the shore path or canal) by providing a destination to visit. This again echoes our hope for honouring our sustainability hopes for the marina - enhancing the unrivalled landscape in which the marina is lucky to be positioned.

This project is a direct response by local people to the Scottish Government's recognition that marine tourism contributes significantly to both local west highland economies and the Scottish Government in general. The SG's initiative Awakening the Giant, launched at Holyrood in 2015, is all about generating quality facilities in this sector of the economy to support and create new jobs and to provide facilities and opportunities to the community – especially where being outdoors is now recognised as an excellent way to maintain or improve wellbeing.

**(c) What need or opportunity will the project address? How do you know there is local support for the project?** *Please provide evidence of community support with the application i.e. letters of support/consultation reports.*

A key finding of the SG's Marine Tourism Strategy is that a new marina at Corpach has been identified as a high priority project of national strategic importance for the growth of the sector. There is a shortage of berthing in the local area (no comparable facilities within 25 miles), and no easily accessible public slipway. Fort William is the second largest settlement in the Highlands and has no berthing provision.

Parts of Caol have until recently been classified as being amongst the most deprived 15% of areas in Highland Region, and most deprived 30% of areas in Scotland (Ref: SIMD 2012). Although this situation has improved slightly in recent years, neighbouring areas within Fort William remain within the most deprived 20% of areas in Scotland.

There is no public slipway in the area, a need that was identified in 2001 when the paper mill closed, and the Lochaber Small Boat Owners Association realised that their time using the slipway on that site was limited. They joined forces with the Lochaber Yacht Club, Corpach Boat Building and others to look for a solution - this did not come to fruition. In 2008, CRC was formed, and started looking for projects to enhance the local area, quickly realising that we could support access to our natural heritage assets in the area and maximise the social and economic benefits by creating a facility that will offer the only fully serviced marina within close proximity to Fort William, allowing local and visitor access to and experience of the marine environment. The whole facility has been designed for all-ability access - with a robust supporting letter from the local access panel.

Community volunteers have driven this project since inception. With the idea first discussed as far back as 2008. The idea initially was established to provide berthing facilities and safe water access for local boat owners. In the years since then, and more significantly since the covid 19 pandemic - the staycation market is booming. Fort William - as the outdoor capital of the UK is well placed to capitalise on this increased interest to holiday closer to home. The community wants to welcome holidaymakers in a safe and sustainable way. The marina will provide this for visitors to the Caledonian Canal.

The project also contributes to the Highland Council SOA for 2013/14 to 2018/19. TCM will help to address actions including:

- To widen participation in the labour market across all client groups and across all Highland geographies.
- To increase number of people in areas of deprivation engaged in activities that strengthen the skills and confidence of those communities to take effective action on community issues.
- To improve educational attainment for children suffering disadvantage.
- To reduce health inequalities between targeted areas and the four least deprived areas in Highland.

Support from the local business community has been widespread and we have received over 18 letters of support for the project. A large local employer has also contributed financial assistance to the project - MOWI has committed funds to phase 3 of the project.



**(d) List the main activities to deliver the project including timescales – this will be the project delivery plan.**

Activity name	Achieve by (date)
PHASE 3 - manufacture and installation of the breakwaters, pontoons and access gangway by Gael Force Marine.	July 2022
Enabling costs and start up package of works	Concurrent with and Immediately following completion of phase 3

**(e) In developing the project, please detail how you have considered the following:**

**Environmental impact** – describe how you intend to mitigate negative environmental impacts that may arise in delivering the project. It may also be that the project specifically seeks to address climate change issues or implement net zero ambitions/solutions.

The project has been designed from the outset with sustainability built in - such that all material dredged from the sea bed to create the marina is re-used as fill material for the new slipway and car park, minimising imported material. The buildings uses sympathetic materials and construction methods, to the latest standards of environmental performance (e.g. improved insulation, efficient LED lighting, air-source heating etc).

Environmental improvements will take place - several existing small septic tanks discharging directly into a small watercourse will be collected together into a larger more suitable unit, and discharge via a new longer outfall into Loch Linnhe.

The project is ideally located to minimise car use for the new trips generated; directly on the National Cycle Network and Great Glen Way footpath we anticipate the majority of journeys to be by walking, cycling or on the water, less than 100m from a mainline railway station and 250m from a bus route.

The new pontoons and marina breakwaters will be fabricated locally at Corpach Boatyard and floated into position less than a mile away, to minimise transport and carbon footprint.

**Equalities impact** – explain how you have taken groups with protected characteristics into account in the development/delivery of the project. How will you ensure that no one is excluded or disadvantaged from benefitting from the project? Will the project target specific groups for example?

The Caol Regeneration Company (CRC) is a charitable company, limited by guarantee, which was formed in 2008 to contribute to the social and economic regeneration of the Caol area. Its main objectives are to promote urban or rural regeneration in areas of social and economic deprivation (in particular in the Caol ward of Highland Council). This will be achieved through:

- the advancement of training and education among unemployed people,
- the maintenance or improvement of public facilities and
- the protection or conservation of the environment.

Previous projects have included, beach clean-ups, improvements to green spaces and footpaths - mainly through voluntary involvement and the use of contractors.

Throughout the Thomas Telford Corpach Marina project we have ensured regular and detailed press releases have gone out to local press outlets and community interest leaflets, as well as sharing updates from our website on our Facebook page and ensuring this is then shared to community Facebook groups. Throughout the project we have also hold regular community liaison meetings ensuring local business owners and community councillors are invited to discuss any issues as and when they arise. At the beginning of 2020 there was also a public consultation drop-in session held with a detailed presentation given about the current status of the project.

We consulted early on in the project with the Lochaber Disability Access Panel; As a fully Disability Discrimination Act compliant facility, specific encouragement will be given to people of all abilities and ages to use the facilities.

We are committed to use of the Gaelic language through bilingual signage and a suitable Gaelic name for our community cafe.

**(f) How will the project be supported after HCCF funding and what will be the lasting benefits/legacy?**

At this point with funds confirmed in principle for the third and final construction phase of the project. We are actively looking to now enable a successful launch of this project in the long-term by ensuring we have the necessary funds in place to give the TTCM the best possible start. Our business plan (updated in July 2021) demonstrates that, once the enabling period is successfully passed, the marina will be financially self-sufficient.(Business plan update attached).

Please note: this business plan update is now adversely influenced by the delay in securing the balance of funding for phase 3. We had hoped for a contract being let in October, and this is now due imminently (February 2022). This has the effect of losing us seasonal berth bookings, since we were unable to confirm an offer of berths to potential clients by Christmas, the usual deadline for people reserving space for their boats for the coming season. We shall also be later than planned in opening fully - Mid Summer 2022 - hence we will lose out on passing trade over the first weeks of the season, which in turn will reduce revenue/profit from the coffee shop. By receiving HCCF funds we can ensure the project is ready to open immediately following the completion of phase 3 – this will mean we are able to open for at least part of the Summer 2022 season ideally in time to ensure we can trade during peak season – July & August.

This underlines the importance of “enabling funding” to ensure we have a successful start to the business. We envisage the funding from HCCF to become the final piece within the much needed enabling fund.

**(g) Please outline how the project fits with other relevant local plans and strategies.**

The Marina will deliver many social benefits aligned with existing policies and strategies including the Highland Wide Local Development Plan, Fort William 2040 Plan, Highland Council Single Outcome Agreement and HIE Operating Plan.

The project supports the local regeneration strategy/development plan or masterplan for the area, and contributes to Single Outcome Agreements as follows:

The project contributes to the Highland Council SOA for 2013/14 to 2018/19 in many different ways. The Community Planning partnership identified a range of long term and intermediate outcomes that should reduce the inequalities gap and reduce demand for public services in the future. The actions to tackle this mean improving people's life chances, for education, for employment and for taking part in community life. The key actions which the project will help to address include:

- To widen participation in the labour market across all client groups and across all Highland geographies.
- To increase number of people in areas of deprivation engaged in activities that strengthen the skills and confidence of those communities to take effective action on community issues.
- To improve educational attainment for children suffering disadvantage.
- To reduce health inequalities between targeted areas and the four least deprived areas in Highland.

The delivery plan for the Highland Council SOA was refreshed in 2015 with specific priority outcomes grouped into 6 areas, several of which are relevant.

The Highland-wide Local Development Plan identifies Fort William's important role as serving the West Highland and Islands area fulfilling sub-regional functions for the wider area. The West Highland and Islands Local Plan (as continued in force) April 2012 (WHILP) supports Fort William as the heart of Lochaber where the bulk of growth will be focussed. The Plan identifies the need to upgrade the fabric of the town, provision of mixed-use gateways, heritage-based refurbishment and the re-use of vacated "brownfield" sites. One of the Plan objectives in relation to Fort William is to strengthen the town centre and integrate a major waterfront development as part of a strategy for regeneration, traffic management and conservation. The site is zoned in the Local Development Plan for Business/Tourism (water based).

During 2009 and early 2010, Scottish Enterprise commissioned a report by the Tourism Resources Company entitled "Sailing Tourism in Scotland". The report concluded there is a short fall in berth facilities going forward over the next 10 years. For the West coast in particular that short fall equates to 617 Annual berths and 343 Visitor berths. Another report 'Overview of Marine Leisure Tourism Sector in Lochaber' (Sept. 2006) by Stewart Millar Associates, has clearly established the local need. The Marine Tourism Strategy for Scotland, "Awakening the Giant", is an excellent fit with the aims of Corpach Marina.

The new marina will also deliver many social and economic benefits for the local community and wider area. The development of the new marina aligns well with and is supported by the objectives and planning policies contained within the Scottish National Marine Plan.

The 2017 West Highland and Islands Local Development Plan notes the commitment to support development of a marina at the Corpach Caledonian Canal entrance and maintains the status of the site as Business/Tourism (water based) "suitable only for water based recreational and tourism uses".

The Fort William Town Centre Action Plan (2014) workshop and public consultation produced a range of ideas, projects and concepts for renewing Fort William town centre. These reflect the vision and principles addressed by workshop attendees while considering issues that affect the vitality and viability of the town, in particular: accessibility, economy, community and environmental impacts.

The public consultation identified fourteen tangible proposals that could, over time, deliver economic, environmental and social benefits for the town and wider area. These have been categorised into four key themes:

1. Improve town centre environment and gateways
2. Improve movement networks and between the town centre and surroundings
3. Develop new uses for redundant space and buildings
4. Maximise the potential of the waterfront

The TTCM Project was also identified as a key section of the Fort William 2040 plan as a key part of 'A place facing water'.

We have received strong support from the leader of the Highland Council; who fully supports this project and has encouraged the expenditure to date. We are also fully engaged with our local MSP Kate Forbes and MP Ian Blackford who have also lent their fully support to the project.

<b>4.4 Does the project require planning permission or statutory regulatory consents?</b>		<b>YES / <del>NO</del></b>
<b>If YES, please detail below - provide evidence with the application if granted.</b>		
<b>Type</b>	<b>Applied – Yes/No (include date)</b>	<b>Granted – Yes/No (include date)</b>
Planning Permission Marine & Civils Works Phase 1	Granted	17/05/2017
Planning Permission Building Works Phase 2	Granted	18/09/2019
Marine Licence Dredging Phase 1	Granted	14/08/2020
Marine Licence Phase 3	Granted	28/01/2018
Building Warrant Building Works Phase 2	Granted	25/08/2020

## **SECTION 5: BUDGET**

*This can be provided in a separate excel spreadsheet if preferred. Delete the example below before completing this section.*

<b>5.1 Main project expenditure</b>		
<b>Budget Heading</b>	<b>Detailed cost</b>	<b>Amount</b>
<b>External finishing/landscaping, roads, parking and walkways to a durable standard</b>		<b>£67,200</b>
<b>Lighting installations</b>		<b>£10,000</b>
<b>All car park, marina safety and building signage</b>		<b>£2500</b>
<b>Fit-out equipment for the cafe and facilities building</b>		<b>£10,550</b>

General marina kit such as lifesaving apparatus, VHF communications		£5,200
Digital, cloud-based marina operation software and online payment gateway		£4550
<b>TOTAL PROJECT COST</b>		<b>£100,000</b>

**5.2 Reasonableness of cost – please explain how you have obtained these costs whilst developing the project?**

A number of these costs have been provided by quotation from individual suppliers and in other cases professional estimate.

**SECTION 6 – MATCH FUNDING**

**6.1 Please give details of confirmed or pending match funding:**  
*If match funding is confirmed, please provide letters of awards with the application.*

Name of funder	Applied YES / NO <i>(include date)</i>	Granted YES / NO <i>(include date)</i>	Amount £
<b>Total match funding</b>			
<b>HCCF requested</b>			<b>£100,000</b>
<b>Total project cost</b>			<b>£100,000</b>

**6.2 Will the project involve “in kind” support?**  
*This should not form part of the overall budget or counted as confirmed match funding for the project.*

**YES / NO**

**Please detail:**

**6.3 Please explain why public funding is required to deliver the project. Will the project happen without funding support?**

Earlier this month, we submitted a bid to the SSE Highland Sustainable Communities Fund towards some of these costs. Awards of SSE funding will not be notified until at least April, and we have no way of knowing whether any offer will be made to us. Therefore we view HCCF as a critical piece in our funding jigsaw.

We expect to place the GaelForce contract in February, with a completion and opening date of June 2022. By this time, all other ancillary works and equipment, and our trained operating team, must be in place. If an HCCF award can be made during February or March at the very latest, we will be empowered to press ahead with these essential items. Later approval would have the very undesirable impact of delaying our opening and consequently missing the peak trading months of July and August - vital to our financial sustainability.

An application for £100,000 HCCF was made to the Council in January last year, and a decision was deferred at that time since there was insufficient match funding in place to provide confidence of an early start to the project. That issue has now been remedied, with match funding as described above. Caol Regeneration Company would seek from HCCF as much spend flexibility as possible in any funding approval.

## **SECTION 7 – BUSINESS AND REVENUE GENERATION PROJECTS**

*To be completed by business and revenue generation projects ONLY. If the project does not generate revenue, please go to SECTION 8.*

*Please submit a business plan with the application.*

### **7.1 Will the project generate revenue? *Please provide a copy of the budget forecast with the application.***

**YES / NO**

**If yes, how will the revenue benefit the organisation? Will it be re-invested to help with the long-term sustainability – if so, how?**

Included within the updated business plan income and expenditure projects for the next 5 years. There is also an opportunity within the next 3 – 5 years to add 10 moorings. As stated in the plan this will further improve the facilities available and will augment marina revenues.

It is projected that total annual surplus will increase year-on-year and that funds will be reinvested back into the facilities, and into the local community through CRC.

### **7.2 How will you ensure that local organisations/businesses are not disadvantaged as a result of the project?**

There is no local organisations in close proximity to the TTCM. There is also no commercial marina in close proximity to the Lochaber area.

### **7.3 Have you considered taking out a loan for the project?**

**YES / NO**

**Please state your reasons:** Not undertaken to ensure robust financial sustainability.

7.4 Have you had support from other organisations in developing the project?	
For example:	Details
Yes as outlined in TTCM cost breakdown detailed within the updated business plan funders including HIE, RCGF, Leader, HIE and Town centre Fund have been instrumental in bringing this project to fruition.	
<b>Business Gateway</b>	
<b>HIE</b>	
<b>Other</b>	

7.5 Have you previously received public funds for the business/organisation?												
<p><b>YES / NO</b></p> <p>We have received various public funding for Phase 1, 2 &amp; 3 of the project, and prior to the project formally commencing received £40,000 from LEADER/HIE for project management works, and various smaller amounts from Scottish Canals and Highland Council for preliminary design, feasibility studies etc.</p> <p>Our organisation receives funding from a variety of sources for the work we do in the community, including Covid-19 resilience funding, and grants towards providing facilities and services to the local community including running a lunch club.</p> <p>Full details can be provided on request, although all funding and cost breakdown relating to this specific project has been detailed within updated Business Plan attached.</p> <p><b>If yes, please provide details of awards for the last 3 fiscal years:</b></p> <table border="1"> <thead> <tr> <th>Funding</th> <th>Year of award</th> <th>Amount £</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Funding	Year of award	Amount £									
Funding	Year of award	Amount £										

**SECTION 8 – SIGNATURE**

*I declare that the information contained in this application is correct to the best of my knowledge. I have read the guidance notes and understand and accept the terms and conditions noted within them.*

*The data you have provided in the application (and claim) forms are subject to the provisions of the Freedom of Information (Scotland) Act 2002, the Data Protection Act 1998 and the Environmental Information (Scotland) Regulations 2004.*

8.1 Main applicant, chairperson or equivalent – the person signing this application has the authority within the organisation to apply for grant funding						
<table border="1"> <tr> <td><b>Signature:</b></td> <td><b>Print:</b></td> <td><b>Date</b></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </table>	<b>Signature:</b>	<b>Print:</b>	<b>Date</b>			
<b>Signature:</b>	<b>Print:</b>	<b>Date</b>				

<b>8.2 Supporting documents checklist.</b>		<b>YES / NO or Not applicable</b>
<i>You <b>must</b> enclose the following documents (where applicable) with the application. If they are not available, please state why.</i>		
<b>1</b>	<b>Constitution or articles and memorandum</b>	Yes
<b>2</b>	<b>Committee Members or Directors List</b>	Yes
<b>3</b>	<b>Permissions – i.e. planning, building warrants, marine licences</b>	Yes
<b>4</b>	<b>Policies – i.e. child protection, health and safety, equal opportunities</b>	Yes
<b>5</b>	<b>Confirmation of match funding letters</b>	No
<b>6</b>	<b>Bank statement – latest statement</b> * please provide a statement below declaring what the remaining bank balances are for.	Yes
<b>7</b>	<b>Annual financial accounts – latest available</b>	Yes
<b>8</b>	<b>Evidence of need and demand i.e. letters of support, community consultation reports, photos</b>	Yes
<b>9</b>	<b>Business plan (revenue generation projects only)</b>	Yes
<b>10</b>	<b>Relevant insurance policies</b>	Yes
<b>11</b>	<b>Job descriptions (HCCF funded posts only)</b>	
<b>12</b>	<b>Evidence of control/ownership of asset – i.e. lease, title deeds</b>	Yes
<b>13</b>	<b>Partnership agreement</b>	No
<b>Reason for missing documentation:</b>		
<b>Declaration what the remaining bank balances are for:</b>		
Continuity of ongoing business.		

For assistance completing this form please contact: [coastal.communities@highland.gov.uk](mailto:coastal.communities@highland.gov.uk)



## Highland Coastal Communities Fund – Application Assessment

<b>File Reference:</b>	30	<b>Applicant Name:</b>	Caol Regeneration Company	<b>Organisation Type:</b>	Company Limited by Guarantee/ Charity
<b>Project Title:</b>	Thomas Telford Corpach Marina- Final Start Up Costs	<b>Date application received:</b>	18/02/22- revised submission following deferral in March 2021	<b>Area Committee:</b>	Lochaber

<b>Project Summary</b>			
Total eligible project costs (£)	<b>£100,000</b>	Total HCCF funding sought (£)	<b>£100,000</b>
Percentage HCCF grant intervention rate applied for (%)?	<b>100% (for this specific element of overall development)</b>	<p>This is an updated application from the original deferral in March 2021, though still seeking an overall grant of £100,000, towards the total cost of delivering and completing Corpach Marina. The applicants originally sought £100,000 towards the final phase 3 of the project in March 2021. At that point, phase 3 was budgeted to include various “finishing works” associated with this updated application, as well as the marina’s floating infrastructure and professional fees. The application was deferred in March 2021, as there was a significant amount and range of match funding unsecured, and the timescale for decisions on these applications was deemed to be too long at that point.</p> <p>Since this deferral, the applicants have undertaken a major amount of work to secure a match funding package to deliver phase 3. They have secured a funding package worth £1.2M. However, crucially, the original tender price for floating infrastructure, from late 2018, has since been subject to inflationary cost increases due to Covid 19 and other well documented supply chain issues. These also had an impact on phase 2, the marina facilities building. As a result of this, there is an overall £100,000 funding shortfall to deliver the essential start-up costs documented in this revised application, over and above floating infrastructure and professional fees.</p> <p>This application very much represents the “final piece of the jigsaw” required to see the marina finally open and operational in July 2022.</p>	
Estimated Start Date	<b>March 2022</b>		
Estimated Finish Date	<b>July 2022</b>		

<b>Application Technical Check</b>			
		<b>Yes-No-N/A</b>	<b>Comments</b>
1	Is HCCF grant requested within the Highland/local thresholds?	Yes	
	Has any work already started/costs been incurred prior to application?	See note	No work has started, or costs been incurred, in respect of the items for which HCCF funding is sought via this application.
2	Does the project have to comply with any Statutory Regulatory Requirements?	Yes	
	Are the necessary planning consents/licences in place or applied for?	Yes	All in place- see section 4.4 of application form.
3	Is project activity being proposed, a public sector statutory duty?	No	
4	Is application organisation VAT registered? Has evidence to confirm VAT status been received?	Yes	VAT registered- Certificate on file
5	Is the proposed activity/project within 5km of coastline or has applicant provided justification of benefit to coastal communities?	Yes	On coastline
6	Is the applicant an eligible business/organisation/person? Has applicant confirmed organisation type and appropriate registration?	Yes	Articles of Association on file. Charitable status confirmed via OSCR website <a href="https://www.oscr.org.uk/about-charities/search-the-register/charity-details?number=36941">https://www.oscr.org.uk/about-charities/search-the-register/charity-details?number=36941</a>
7	Will the project generate revenue? Has the applicant provided a business plan (if required)?	Yes	Business plan on file
8	Project fits with the following HCCF priority(ies) <ul style="list-style-type: none"> <li>- Economic Recovery</li> <li>- Community Resilience</li> <li>- Mitigation of climate/ecological emergency</li> <li>- Rural Depopulation</li> </ul>	See Comment	Applicant has selected Economic Recovery
9	Is a full match funding package in place or applied for pending decision (written evidence provided)?  If a match funding decision(s) is pending, what is the expected date of decision(s)?	See Comment	A full match funding package is in place for the revised £1.2M total cost of phase 3 (floating infrastructure and professional fees. This is confirmed via e-mails, with formal offer letters in the process of being drawn up and issued. This £100K HCCF request represents the final package of additional work required to deliver the marina. No match is identified specifically for this- these works would be covered by the HCCF grant. This application should be viewed as a component part of the overall marina, for which a wide range of match has been secured.

10	Is the application form signed and dated by chair person or equivalent (authorised signatory)?	Yes	
<b>Assessment Criteria</b>			
	Application has demonstrated:	<b>RAG Status</b>	<b>Comments</b>
11	<b>Project Robustness</b>	<b>G</b>	This revised submission is accompanied by a full match funding package for phase 3, with the exception of costs to be covered by this application. The costs for which HCCF funding is sought are self-contained and time specific. They are required to conclude the project and open the marina in time of the peak summer season of 2022. The project has a good business plan showing financial sustainability, very good supporting links to local development strategies, and a long history of community consultation and informed design and costings. The community benefits of a marina at Corpach have been well researched and evidenced over a period of time. As has been the case throughout the development of the marina, there is a competent and professional management team overseeing the project. A clear need for funding is demonstrated and the long-term benefits of HCCF investment are clear in this case.
12	<b>Engagement &amp; Support</b>	<b>G</b>	From initial feasibility studies and community consultations, to ongoing publicity about the development since works began on site, the project has demonstrated a very good record of community support and consultation. Application includes evidence of a wide range of support for the marina overall, gathered across a long period of time.
13	<b>Meeting a Need of Demand/Market Demand</b>	<b>G</b>	Historical feasibility studies, business plan, and evident complementary links to local and national development plans all show a clear need/ market demand for this project.
14	<b>Legacy &amp; Exit Strategy</b>	<b>G</b>	Both previous feasibility studies, and the business plan supplied with this application, show the project to be viable in the long term. Business plan projections show a good operating surplus, rising year on year. This is to be re-invested in future community development projects in the area.
15	<b>Consideration of equalities issues/impacts</b>	<b>G</b>	Good consideration of this in the application- both in terms of physical access and also of commitment to ensure as wide a range of people as possible can benefit from the marina. Lochaber Disability Access Panel have also written to say they have been consulted and are fully supportive of the project.
16	<b>Environmental sustainability</b>	<b>G</b>	Again, application demonstrates a good consideration of this issue.
17	<b>Value for Money</b>	<b>G</b>	Investment of £100,000 HCCF funding would see the final piece of funding in place to allow the marina to open in summer 2022. It would help to deliver an overall £3M plus infrastructure project for the area. The project would offer a range of community benefits over a long period of time. The project since the outset has shown a good record of value engineering, and cost saving options.

18	<b>Match funding</b>	<b>G</b>	A full match funding package is in place to deliver phase 3 of the project, with the exception of this £100K request.
19	<b>Meets Local Priorities</b>	<b>A</b>	<p>Specifically, in terms of the Lochaber HCCF priorities set for round one in 2021, the project is not technically in a remote rural area and its main purpose is not to alleviate current pressures caused by visitor numbers. However, it should be noted that this grant, if awarded, would come out of the recent round two allocation, for which specific priorities have not yet been set.</p> <p>In addition, the project fits very well with wider local and national tourism development strategies designed to encourage greater visitor numbers. Section 4.2 (G) of the application details a range of specific local and national priorities that the project would complement very well. It is well known locally that the area lacks marine tourism infrastructure. This is a challenge, due to the area's branding as the "Outdoor Capital of the UK" and its obvious advantages in terms of natural marine surroundings and also the Caledonian Canal.</p>
20	<b>Additionality</b>	<b>G</b>	Without HCCF funding, the project would not be able to proceed as currently envisaged.
	Please indicate whether HCCF funding is required to: - Allow the project to proceed - Increase the scope of quality of the project - Accelerate the implementation of the project	See note	Required to allow the project to proceed
	Has loan finance been considered? Please explain why loan finance has not be considered a viable option:	See note	Repayments for a loan on the scale of the funding required would not be viable under projected revenue generation for the project and would limit any scope for reinvestment of profit into further community development projects in Caol.
<b>Procurement and RoC:</b>			
21	Are all project costs eligible/essential?	Yes	
22	Have the project costs been sufficiently broken down and itemised?	Yes	
23	Have the recommended HCCF procurement requirements been met, where required? If not, what steps have been taken to judge whether costs are reasonable?	Yes	Costs will be subject to HCCF/ Highland Council procurement standing orders. Costs in the application have been informed by quotation from individual suppliers and in other cases professional estimates.
24	If the applicant is VAT registered, has VAT been removed from eligible project costs?	Yes	

25	Has the applicant received previous funding from public sources in the last three fiscal years?	Yes	A full breakdown of overall funding for the marina is available if required.
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<b>Document Checklist</b>		
	<b>Yes-No-N/A</b>	<b>Comments</b>
Expression of Interest	Yes	
Application technical assessment checklist	Yes	
Certified financial accounts:	Yes	Certified 2020 accounts available on Companies House website
Research / Evidence of need and demand	Yes	
Financial statement demonstrating need for public funding (if relevant) (e.g., letter from applicant/bank statements etc.)	Yes	Bank statements show project could not proceed without grant funding.
Complete business plan (If relevant)	Yes	
Evidence of control/ownership of asset	Yes	File notes in place from LEADER funded phase confirming leases in place and basis of accepted evidence on file.
Job descriptions (and activity plan) for any post which funding is sought towards	N/A	
<b>May apply:</b>		
Current constitution or articles and memorandum	Yes	
Current committee members or directors' list	Yes	
Permissions – planning, building warrant etc.	Yes	
Policies – equal opps Child protection (if relevant)	Yes	
Written confirmation/evidence of match funding (if available)	N/A	100% HCCF funding requested for this specific element of the overall marina. See comments above re wider match funding for phase 3.
Insurance	Yes	
<b>Additional:</b>		
Letters of support	Yes	
Partnership Agreement	N/A	
Other	See note	<ul style="list-style-type: none"> <li>• Confirmation of funding for previous phases</li> <li>• Letters of support</li> <li>• Breakdown of total project costs</li> <li>• Business plan</li> <li>• 45-page RCGF application which was successful in securing £1.725M</li> <li>• Evidence of need and demand</li> <li>• Licenses and planning confirmation</li> </ul>

<b>Recommended Conditions of Grant</b>
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<b>Pre-Approval Conditions</b>
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<b>Pre-Start Conditions</b>
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<b>Other Issues/Conditions</b>
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- Copies of final match funding letters for phase 3 to be supplied when available

<b>Assessed by:</b>	<b>Name: Martin Culbertson</b>	
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<b>I can confirm that I have completed the eligibility checks as set out above.</b>	<b>Date: 24/02/22</b>	
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